

Message Text

CONFIDENTIAL

PAGE 01 KHARTO 03324 111148Z

43

ACTION EB-07

INFO OCT-01 AF-08 EA-07 ISO-00 INT-05 FEAE-00 TRSE-00

OES-06 OMB-01 AID-05 GSA-01 DODE-00 CIAE-00 INR-07

NSAE-00 /048 W

----- 061156

R 111056Z NOV 76

FM AMEMBASSY KHARTOUM

TO SECSTATE WASHDC 2922

USDOC WASHDC

AMEMBASSY TOKYO

C O N F I D E N T I A L KHARTOUM 3324

USDO

FOR MBMPD

E.O. 11652: N/A

TAGS: EMIN, SU, JA

SUBJECT: MINERALS: JAPANESE SEIZING INITIATIVE ON CHROME
EXPLOITATION

REF: KHARTOUM 2856 (NOTAL)

1. BEGIN LIMITED OFFICIAL USE. TRADE OPPORTUNITY FOR
DEVELOPMENT OF MAJOR SUDANESE CHROME DEPOSITS (REPORTED
REFTEL) NOW APPEARS TO HAVE BEEN PRE-EMPTED BY JAPANESE.
DIRECTOR OF SUDANESE GEOLOGICAL SURVEY, SAYED YOUSIF
SULIMAN, CONFIRMED TO ECONOFF NOV 10 THAT THEY EXPECTED
TO SIGN PRELIMINARY AGREEMENT NEXT WEEK WITH MITSUBISHI
FOR EXPLOITATION OF ENTIRE INGESSNA HILLS AREA. HE
CONFIRMED THAT IN RETURN FOR SIGNING BONUS OF "SEVERAL
HUNDRED THOUSAND DOLLARS" MITSUBISHI WOULD HAVE
EXCLUSIVE INVESTIGATION RIGHTS FOR 14-16 MONTHS. HE
SAID THAT JAPANESE WERE PLANNING JOINT VENTURE WITH
SUDANESE MINING COMPANY WHICH WOULD PRODUCE AT
LEAST 100,000 TONS OF CHROMITE PER ANNUM FOR 20 YEARS.
END LIMITED OFFICIAL USE.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 KHARTO 03324 111148Z

BEGIN CONFIDENTIAL. FROM COMMERCIAL SOURCES, ECONOFF HAS OBTAINED COPY OF DRAFT AGREEMENT SUBMITTED TO MIN OF INDUSTRY BY JAPAN METAL AND CHEMICAL CO., LTD. AND MITSUBISHI. CONTENTS OF THIS DOCUMENT INDICATE THAT JAPANESE INTEREST IN DEVELOPMENT OF SUDANESE CHROME DEPOSITS GOES FAR BEYOND THAT INDICATED IN PARA 1 ABOVE AND REFTEL. DRAFT AGREEMENT ENVISAGES EXTRACTION OF 100,000 TONS OF CHROME ORE PER YEAR FROM EACH OF THREE SITES FOR MINIMUM PERIOD OF 10 YEARS. JOINT VENTURE WOULD BE FORMED FOLLOWING COMPLETION OF JAPANESE FEASIBILITY STUDY WITH 49 PERCENT OF EQUITY OWNED BY JAPANESE GROUP. SUDAN WOULD CONTRIBUTE ALL OF THE ASSETS AND LEASES HELD BY THE SUDANESE MINING GROUP IN RETURN FOR ITS 51 PERCENT SHARE OF EQUITY.

2. FINAL AGREEMENT FOR FORMATION OF JOINT VENTURE, IF PLANS PROCEED ACCORDING TO SCHEDULE, WOULD BE IN LATE 1977. PRELIMINARY AGREEMENT CALLS FOR SAMPLE SHIPMENTS OF 10,000 METRIC TONS OF ORE OF VARIOUS GRADES FOR TESTING IN JAPAN. JAPANESE GROUP HAS AGREED TO PAY FOR ALL FEASIBILITY STUDY COSTS AND TO PAY ROYALTIES ON ALL CHROME EXTRACTED.

3. SIZE OF PROPOSED JAPANESE PROJECT STRONGLY CONFIRMS 2-4 MILLION TONS ESTIMATE OF CHROMITE RESERVES REPORTED REFTEL. WE SEE LITTLE POSSIBILITY OF INTERJECTING AMERICAN MINERALS COMPANY AT THIS POINT BECAUSE NEGOTIATIONS ARE SO FAR ADVANCED. AFTER PRELIMINARY AGREEMENT IS SIGNED, WE WILL ATTEMPT OBTAIN COPY TO BE TRANSMITTED BY AIRGRAM.
END CONFIDENTIAL.
BREWER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGREEMENT DRAFT, MINING CONCESSIONS, CHROMIUM, INVESTMENT OPPORTUNITIES
Control Number: n/a
Copy: SINGLE
Draft Date: 11 NOV 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ElyME
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976KHARTO03324
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: DG ALTERED
Executive Order: GS
Errors: N/A
Film Number: D760420-0893
From: KHARTOUM
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761159/aaaabyuh.tel
Line Count: 93
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 76 KHARTOUM 2856
Review Action: RELEASED, APPROVED
Review Authority: ElyME
Review Comment: n/a
Review Content Flags:
Review Date: 27 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <27 MAY 2004 by ShawDG>; APPROVED <27 SEP 2004 by ElyME>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: MINERALS: JAPANESE SEIZING INITIATIVE ON CHROME EXPLOITATION
TAGS: EMIN, SU, JA, MITSUBISHI
To: STATE COM
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006